195~~0~~-50 File No. 2133

B CLASS

DEPARTMENT

BRANCH

Subject:— Electric License
Board Halt
Kenney Estate
Hamilton

(b)

B[K]-1951

File No. 2133/48

d. Scott. Slip. 21 A

-G.R., G.D., No. 2408, dated 22-6-22.]

Correspondence

DOCKET SHEET

Subject :—

File No. 2133/48

W.

DEPT.

W. II.

BRANCH.

References :—

Date.	To whom sent.	Notes and instructions.

E 1

2133/48/27294

El. Br.(I). P.W.D.

Submitted with reference to G.L. at p.13 or c.s

2. The Association a Elecl. Undertakings has now enclosed a statement comparing certain features in a license issued by this Govt. in 1910 with those of the Mehsana Elec. License, 1933 and the Kolhapur Elec. License, 1930. The Association argues that the provisions in the licenses granted by Govts in the merged areas conform to those contained in the license granted by this Govt. in 1910 and Govt. should not therefore press for a wholesale change-over to the model form.

3. The necessity for a changeover to model form has been already discussed in the O.M., dated the 25-2-50. The Association is not aware of the fact that every opportunity is available of by Govt. to amend even the old licenses granted by this Govt. in the past to bring them in line with the terms and conditions of the model form.

4. Following remarks may be offered on the comments made by the Association.

Item 1 & 2: No remarks.

Item 3 & 4 of the Statement: (Area of supply). In the licences granted by this Govt. area of supply is ristricted to the Municipal limits. The general policy in this respect is not to grant regional licenses. But the state Govts. had allowed extensive areas for supply. The licensed area of supply of the Baroda Elec. license includes

municipal....

municipal limits and an area within 20 miles radius from the power house. The Elecl. Commr. has already stressed the advisability of restricting the license to the Baroda Municipal limits.

Item 5 to 6: No remarks.

Item No.7(Purposes of supply: Clause No. 7 in the model form inter alia provides freedom to big consumers to purchase their requirements from Govt. Deptt. or electy. Board. It is necy. to incorporate a clause giving the same freedom to the consumers in the merged areas, so amendment to that effect in the licenses in the merged areas is necy.

Item No.8: The El. Engr. may be requested to offer remarks. Remaining items - No remarks.

5. As already itimated to the Asso. in G.L. at p. 3 of C/S. Our model form has been prepared after careful consideration in the best interest of the licenses as well as the consumers. The licenses in the merged States may be required to amend their license as required by Govt. as and when it is possible to do so.

6. This may be referred U.O. to the El. Engr. for remarks in the first instance.

Id/-
29/4/50.

Id/-
1/5/50.

U.O. to El. En. to Govt. dated 4/5/50.

ADS/

Extract from the Secretary's note, dated the 6th June 1950, recorded in connection with the meeting held with the Association of Electrical Undertakings, Bombay Province.

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Item (2). :- Licenses in Merged Areas.

It was agreed to give consideration cases of licenses in merged areas which were duly issued under the Indian Electricity Act, 1910, as applied to the State, and to see that licenses so issued prior to 1937 were not compelled to incorporate those important amendments made in 1937 from which the older licenses in Bombay State are exempt. It was agreed that in all basic matters e.g. accounts there should be uniformity and that consequential amendments may be made in all licenses of merged areas.

ADS/-

SEPARATOR

THE ASSOCIATION OF ELECTRICAL UNDERTAKINGS

BOMBAY PROVINCE.

Killick Building, Home
Street,

Bombay 13th January 1950.

Ref. No. AEU/34/729/50.

The Secretary to the Government of Bombay,
Public Works Department,
Bombay.

Dear Sir,

The members of the Association operating in the former States which have now been merged in the Bombay Province, have drawn the Association's attention to Government's desire that they should enter into new Licenses with Government in lieu of the ones they had with the former Governments.

It is understood that Government's action in asking Licensees in the merged areas to negotiate new Licenses is with a view to obtaining uniformity of terms for all Licensees in the Province and because of the Licenses with the previous Governments containing some anomalous provisions.

While Government's desire to review the Licenses concerned so as to bring them into conformity with the practice obtaining in the rest of the Province is appreciated, the Council of this Association are of the view that this could be achieved within the framework of the existing Licenses. It is the accepted practice that successor Governments are bound by the covenants of the previous Authority and this is not to be lightly disregarded unless great

public...

public issues are involved.

It is the fear of the Licensees concerned, which the Council share, that the demand for entering into new Licenses might imply their being asked to accept the "Model Form" of License recently formulated by Government. As the Government are aware, the "Model Form" contains features certain of which are objectionable from the Industry's point of view and in this context the Licensees are averse to forego the terms of their previous Licenses; and the Council are equally reluctant to recommend this procedure in view of their known objections to the "Model Form" A

The Council, therefore, hope that if any purely consequential changes are necessary in the Licenses to bring them into line with the rest of the old Licenses in force in the Province, Government would be content to make only such amendments, with the consent of the Licensees, instead of pressing for a Wholesale change-over to new agreements involving the "Model Form" being forced on the Licensees. B.

If it is desired to discuss the matter further, I shall be pleased to call upon you.

Yours faithfully,

Sd/-

Secretary.

ADS/-

Below U.O.R. No.2133/48/4025 dated the 18th January 1950, from Government in the Public Works Department

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No. LRM 31/8725 of 1950.

Bombay 23rd January 1950.

Returned, with compliments.

2. I have personally discussed the question with the Secretary to-day and have left with him a copy ofthe new Model Form of license which is now being adopted for all the new licenses. As desired by the Secretary, I am forwarding herewith a copy of the old Model Form under which former licenses have been granted.

3. As regards the objection raised by the Association of Electrical Undertaking Bombay Province, with regard to the current Model Form. please refer to this office No.LRM.31/2977 dated the 1th December 1947 (in P.W.D. file No.6730/36/36586). The Association has already been replied to under Government, Public Works Department, letter No.6730/36-El. dated the 28th April 1948.

4. As regards the Power Houses in the merged States, two lists, one for the Gujarat States and the other for the Deccan States, giving the information about the Managing Agents or licensee are forwarded herewith for information, as i

desired...

desired by the Secretary.

Sd/-

Electrical Engineer to Govt.

P.

Draftr: please

Engr. reply to the Asst. Deputy

confirming B and meeting the

conditions on A. Pl. put up copy of the

list at above.

Id/-

23/1/-

ADS/-

5

No.2133/48-E.(I).

Public Works Department,
Bombay Castle (Bombay No.1),
1st March 1950.

From

The Secretary,
The Association of Electrical Undertakings,
Bombay Province,
Killick Building, Home Street, Bombay.

Subject:- Electric Licenses in the merged areas.

Dear Sir,

I am directed to refer to your letter No.AEU/34/729/50, dated the 13th January 1950 and to state that those licenses in the merged areas which can be held to have been properly granted under the Indian Electricity Act, 1910, will continue to be in force. In the interest of uniformity of practice in the province, it is considered necessary to make such licenses conform to the model form of electric license. The letter has been prepared after careful consideration in the best interests of the licensee as well as the consumers and accordingly the licensees in the merged areas are being advised to amend their licenses to make them conform to the model form. It has been observed that the licenses granted by the former States are generally defective in several respects and the need of bringing them in line with the model form cannot be disputed.

2. As regards your observations that the model form contains certain features which are objectionable from the Industry's point of view, I am to invite

your....

your attention to Government Letter No.6730/36-El., dated the 28th April 1948 wherein your objections to several clauses in the model form have been replied to. It is not considered feasible to reopen these settled question merely because occasion has arisen to bring in line with the model form the diverse licenses granted by former States in merged areas.

Yours faithfully,

Sd/- 2-3-50

for Secretary to the Government of Bombay

Public Works Department

D.A.- Nil.

Copy forwarded for information to the Electrical Engineer to Government with reference to his No. LRM/.31/ /8725, dated the 23rd January 1950.

ADS/-

16/2/50